GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1756
ANSWERED ON:08.08.2006
UTILISATION OF INDIA BRAND EQUITY FUND
Boianapalli Shri Vinod Kumar;Masood Shri Rasheed

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of funds provided by the Government under India Brand Equity Fund which is now India Brand Equity Foundation, remained unutilised for nine years;

(b) if so, the reasons therefor;

(c) the details of the loans disbursed to the companies out of this fund;

(d) whether the loan disbursed has been paid back; and

(e) if not, the action taken against the companies with outstanding dues?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) Government has provided Rs 83.67 crores to IBEF. Upto 31.3.2006, the expenditure incurred by IBEF is Rs 22.12 crores. In addition, IBEF has provided an amount of Rs 16.34 crores as loan to various companies. Balance amount has been invested by the Trust in approved investments and securities.

(b) Does not arise.

(c) The details of the loans disbursed by IBEF are as under :-

(Rs in crores)

i. M/s K G Denim	1.48
ii. M/s HMT (I) Ltd	1.00
iii M/s International Creative Foods Ltd	6.00
iv M/s Visudhdha Rasayanee Pvt Ltd	4.25
v M/s Clutch Auto	3.50
vi M/s Eastman Industries	0.11
Total:	16.34

(d) M/s K G Denim, M/s. HMT (I) Ltd. and M/s. Eastman Industries have paid back their loans. M/s International Creative Foods Ltd. and M/s Clutch Auto are in the process of repaying their loans.

(e) M/s Visudhdha Rasayanee Pvt. Ltd. has outstanding dues to which they have not responded. Litigation processes have been initiated and are being pursued by IBEF.